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COUNTERPART NO. 10

OF 10 COUNTERPARTS

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INTERSTATE COMMERCE COMMISSION

GULF, MOBILE AND OHIO RAILROAD EQUIPMENT TRUST

Series T

Equipment Trust Agreement

Dated as of April 15, 1971

BETWEEN

THE MERCHANTS NATIONAL BANK OF MOBILE,
Trustee

AND

GULF, MOBILE AND OHIO RAILROAD COMPANY

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EQUIPMENT TRUST AGREEMENT, dated as of April 15, 1971, between THE MERCHANTS NATIONAL BANK OF MOBILE, a national banking association duly organized and existing under the laws of the United States of America, as Trustee (hereinafter called the Trustee) and GULF, MOBILE AND OHIO RAILROAD COMPANY, a corporation duly organized and existing under the laws of the State of Mississippi (hereinafter called the Railroad).

WHEREAS, the Railroad has contracted or will contract for the construction and transfer to the Trustee of the railroad equipment described herein; and

WHEREAS, title to such railroad equipment is to be vested in and is to be retained by the Trustee, and such railroad equipment is to be leased to the Railroad hereunder until title is transferred under the provisions hereof; and

WHEREAS, Gulf, Mobile and Ohio Railroad Equipment Trust Certificates, Series T (hereinafter called Trust Certificates), are to be issued and sold in an aggregate principal amount not exceeding \$5,770,000, and the net proceeds (as hereinafter defined) of such sale together with such other cash, if any, as may be required to be deposited by the Railroad as hereinafter provided is to constitute a fund equal to the aggregate principal amount of Trust Certificates so issued and sold to be known as GULF, MOBILE AND OHIO RAILROAD EQUIPMENT TRUST, SERIES T, to be applied by the Trustee from time to time in part payment of the cost of the Trust Equipment, the remainder of the cost thereof to be paid out of advance rentals to be paid by the Railroad as provided herein; and

WHEREAS, the texts of the Trust Certificates, the dividend warrants to be attached to the Trust Certificates with dividend warrants, and the guaranty to be endorsed thereon by the Railroad are to be substantially in the following forms, respectively:

[FORM OF FULLY REGISTERED TRUST CERTIFICATE]

\$

No.

GULF, MOBILE AND OHIO RAILROAD EQUIPMENT TRUST,
SERIES T

EQUIPMENT TRUST CERTIFICATE

Total Authorized Issue \$5,770,000

THE MERCHANTS NATIONAL BANK OF MOBILE, Trustee
Dividends at the Rate of $7\frac{1}{8}\%$ Per Annum Payable
April 15 and October 15

Principal hereof payable April 15, 19 .

THE MERCHANTS NATIONAL BANK OF MOBILE, as Trustee under an Equipment Trust Agreement dated as of April 15, 1971, between THE MERCHANTS NATIONAL BANK OF MOBILE, Trustee (hereinafter called the Trustee), and GULF, MOBILE AND OHIO RAILROAD COMPANY (hereinafter called the Railroad), hereby certifies that

, or registered assigns, is entitled to an interest in the principal amount of \$ in GULF, MOBILE AND OHIO RAILROAD EQUIPMENT TRUST, SERIES T, payable on April 15, 19 , upon presentation and surrender of this Certificate to the Trustee at its principal office in the City of Mobile, State of Alabama, or, at the option of the person entitled thereto, at the agency of the Trustee in the Borough of Manhattan, City and State of New York, and to payment, until said last mentioned date, of dividends on said principal amount at the rate of $7\frac{1}{8}\%$ per annum from the date hereof, payable semiannually on April 15 and October 15 in each year, at said office or agency of the Trustee, with interest at said dividend rate on any unpaid principal and on any unpaid dividends to the extent that it shall be legally enforceable, all in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, but payable only out of rentals or other moneys received by the Trustee and applicable to such payment under the provisions of said Agreement.

This Certificate is one of an issue of Certificates of serial maturities, and having an aggregate principal amount not exceeding

\$5,770,000, all issued or to be issued under and subject to the terms of said Agreement, under which certain railroad equipment leased to the Railroad (or cash or direct obligations of the United States of America in lieu thereof, as provided in said Agreement) is held by the Trustee in trust for the benefit of the holders of the interests represented by said Certificates, to which Agreement (a copy of which is on file with the Trustee at its principal office in the City of Mobile, State of Alabama) reference is made for a full statement of the rights and obligations of the Railroad, the duties and immunities of the Trustee and the rights of the holder hereof thereunder.

The Certificates are issuable as bearer Certificates with dividend warrants attached, registrable as to principal, in the denomination of \$1,000, and as fully registered Certificates in the denominations of \$1,000 and any multiple of \$1,000. This Certificate is exchangeable in whole, or in part if in a denomination greater than \$1,000, without charge to the holder hereof, for a Certificate or Certificates with dividend warrants, each of the denomination of \$1,000, of the same maturity as this Certificate, having all unmatured dividend warrants attached and, in the case of a partial exchange, for such other fully registered Certificates as shall together equal the aggregate principal amount of this Certificate, all upon presentation hereof for such purpose at said office or agency of the Trustee, but only in the manner and subject to the limitations provided in said Agreement.

This Certificate is transferable by the registered holder hereof in person or by duly authorized attorney on the books of the Trustee upon surrender to the Trustee at its said office or agency of this Certificate accompanied by a written instrument of transfer, duly executed by the registered holder in person or by such attorney, in form satisfactory to the Trustee, and thereupon a new fully registered Certificate or Certificates in authorized denominations for the same aggregate principal amount and having the same date of maturity will be issued to the transferee in exchange herefor. The Trustee and the Railroad may treat the person in whose name this Certificate is registered as the absolute owner hereof for the purpose of receiving payment of principal and dividends and for all other purposes, and shall not be affected by any notice to the contrary.

In case of default in the performance or observance of any of the covenants of the Railroad in said Agreement contained, the principal amount represented by this Certificate may be declared due and payable, as provided in said Agreement.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be signed by the facsimile signature of its Executive Vice President and Trust Officer and its corporate seal, in facsimile, to be hereunto affixed and to be attested by its Senior Vice President and Trust Officer.

Dated:

THE MERCHANTS NATIONAL BANK OF MOBILE,
Trustee,

By _____
Executive Vice President
and Trust Officer.

ATTEST:

Senior Vice President
and Trust Officer.

[FORM OF GUARANTY FOR FULLY REGISTERED TRUST CERTIFICATES]

GULF, MOBILE AND OHIO RAILROAD COMPANY, for a valuable consideration, hereby unconditionally guarantees to the registered holder of the within Certificate the prompt payment of the principal of said Certificate and of the dividends thereon specified in said Certificate, with interest at the dividend rate on any unpaid principal and on any unpaid dividends to the extent that it shall be legally enforceable, all in accordance with the terms of said Certificate and the Equipment Trust Agreement referred to therein.

GULF, MOBILE AND OHIO RAILROAD COMPANY,

By _____
Senior Vice President.

[FORM OF TRUST CERTIFICATE WITH DIVIDEND WARRANTS]

\$1,000

No.

GULF, MOBILE AND OHIO RAILROAD EQUIPMENT TRUST,
SERIES T

EQUIPMENT TRUST CERTIFICATE

Total Authorized Issue \$5,770,000

THE MERCHANTS NATIONAL BANK OF MOBILE, Trustee
Dividends at the Rate of $7\frac{1}{8}\%$ Per Annum Payable
April 15 and October 15

Principal hereof payable April 15, 19 .

THE MERCHANTS NATIONAL BANK OF MOBILE, as Trustee under an Equipment Trust Agreement dated as of April 15, 1971, between THE MERCHANTS NATIONAL BANK OF MOBILE, Trustee (hereinafter called the Trustee), and GULF, MOBILE AND OHIO RAILROAD COMPANY (hereinafter called the Railroad), hereby certifies that the bearer, or, if this Certificate is registered as to principal, the registered holder hereof, is entitled to an interest in the principal amount of One Thousand Dollars in GULF, MOBILE AND OHIO RAILROAD EQUIPMENT TRUST, SERIES T, payable on April 15, 19 , upon presentation and surrender of this Certificate to the Trustee at its principal office in the City of Mobile, State of Alabama, or, at the option of the person entitled thereto, at the agency of the Trustee in the Borough of Manhattan, City and State of New York, and to payment, until said last mentioned date, of dividends on said principal amount at the rate of $7\frac{1}{8}\%$ per annum from April 15, 1971, semiannually on April 15 and October 15 in each year, according to the tenor of the dividend warrants hereto annexed upon presentation and surrender of such warrants, as they severally mature, to the Trustee at said office or agency, with interest at the dividend warrant rate on any unpaid principal and on any unpaid dividends to the extent that it shall be legally enforceable, all in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, but payable only out of rentals or other moneys received by the Trustee and applicable to such payment under the provisions of said Agreement.

This Certificate is one of an issue of Certificates of serial maturities, and having an aggregate principal amount not exceeding \$5,770,000 all issued or to be issued under and subject to the terms of said Agreement, under which certain railroad equipment leased to the Railroad (or cash or direct obligations of the United States of America in lieu thereof, as provided in said Agreement) is held by the Trustee in trust for the benefit of the holders of the interests represented by said Certificates, to which Agreement (a copy of which is on file with the Trustee at its principal office in the City of Mobile, State of Alabama) reference is made for a full statement of the rights and obligations of the Railroad, the duties and immunities of the Trustee and the rights of the holder hereof thereunder.

The Certificates are issuable as bearer Certificates with dividend warrants attached, registrable as to principal, in the denomination of \$1,000, and as fully registered certificates in the denominations of \$1,000 and any multiple of \$1,000. This Certificate is *not* exchangeable for a fully registered Certificate.

This Certificate may be registered as to principal at the principal office of the Trustee in the City of Mobile, State of Alabama, or at the agency of the Trustee in the Borough of Manhattan, City and State of New York, in the name of the holder hereof, and such registration noted hereon by or on behalf of the Trustee. Thereafter title to the interest represented by this Certificate shall pass only by transfer registered at said office or agency unless and until a transfer to bearer shall have been similarly registered and noted hereon. Such registration shall apply only to the principal of this Certificate and not to the dividend warrants hereunto attached, which shall continue to be payable to bearer and transferable by delivery.

Every taker and holder of this Certificate and of the attached warrants, by accepting the same, agrees with the Trustee, with the Railroad and with every subsequent taker and holder hereof and thereof that this Certificate (unless registered in the name of the holder) and such warrants shall be transferable with the same effect as in the case of a negotiable instrument payable to bearer, by delivery by any person having possession of the same, respectively, however such possession may have been acquired; and the Trustee and

the Railroad may treat the bearer of this Certificate, or the registered holder hereof if this Certificate be registered in his name as above provided, and the bearer of any dividend warrant attached hereto whether or not this Certificate be so registered, as the absolute owner of this Certificate or of said warrants, as the case may be, for all purposes, and shall not be affected by any notice to the contrary.

In case of default in the performance or observance of any of the covenants of the Railroad in said Agreement contained, the principal amount represented by this Certificate may be declared due and payable, as provided in said Agreement.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be signed by the facsimile signature of its Executive Vice President and Trust Officer and its corporate seal, in facsimile, to be hereunto affixed and to be attested by its Senior Vice President and Trust Officer and, dividend warrants bearing the facsimile signature of its Executive Vice President and Trust Officer to be attached hereto, as of April 15, 1971.

THE MERCHANTS NATIONAL BANK OF MOBILE,
Trustee,

By
Executive Vice President
and Trust Officer.

ATTEST:

.....
Senior Vice President
and Trust Officer.

[FORM OF DIVIDEND WARRANT]

\$

No.

Due to the bearer hereof on the fifteenth day of , 19 ,
on surrender hereof at the principal office of the undersigned Trustee
in the City of Mobile, State of Alabama, or at its agency in the Bor-
ough of Manhattan, City and State of New York. \$, being the
semiannual dividend then due on Certificate No. of

SECTION 2.6. In case any Trust Certificate, or the dividend warrants, if any, thereto appertaining, shall become mutilated or defaced or be lost, stolen or destroyed, then on the terms herein set forth, and not otherwise, the Trustee, upon Request, (a) shall execute and deliver a new Trust Certificate, and the Railroad shall execute its guaranty thereon, with all unmatured dividend warrants appertaining thereto, if a Trust Certificate with dividend warrants, of like maturity, tenor and date as the one mutilated, defaced, lost, stolen or destroyed, in exchange and substitution for, and upon cancellation of, the mutilated or defaced Trust Certificate and dividend warrants, or in lieu of or in substitution for the same if lost, stolen or destroyed and (b) shall make payment of any matured and unpaid dividend warrants appertaining to the same. The applicant for a new Trust Certificate shall furnish to the Trustee and to the Railroad evidence to their satisfaction of the mutilation, defacement, loss, theft or destruction of such Trust Certificate and dividend warrants, if any, alleged to have been lost, stolen or destroyed, and of the ownership and authenticity of such mutilated, defaced, lost, stolen or destroyed Trust Certificate and dividend warrants, and also such security and indemnity as may be required by the Trustee and by the Railroad, in their discretion; and shall pay all expenses and charges of such substitution or exchange. All Trust Certificates and dividend warrants shall be issued, held and owned upon the express condition that the foregoing provisions are exclusive in respect of the replacement of mutilated, defaced, lost, stolen or destroyed Trust Certificates and dividend warrants, and shall preclude any and all other rights and remedies, any law or statute now existing or hereafter enacted to the contrary notwithstanding.

ARTICLE III

ACQUISITION OF TRUST EQUIPMENT BY TRUSTEE; DEPOSITED CASH

SECTION 3.1. The Railroad, as speedily as may be, shall cause to be constructed and sold, assigned, transferred and set over unto the Trustee as trustee for the holders of the Trust Certificates and dividend warrants, the Equipment described in Exhibit A hereto. To that end the Railroad hereby assigns, or as speedily as may be

after entering into the contract or contracts for the construction of such Equipment agrees to assign, to the Trustee all its rights, title and interest under said contract or contracts. Such Equipment shall be delivered to the Railroad, which is hereby designated by the Trustee as its agent to receive such delivery, and an Officer's Certificate (or a certificate of an agent or agents designated by the Trustee to receive delivery of the Trust Equipment) as to such delivery shall be conclusive evidence of such delivery.

In the event that it may be deemed necessary or desirable to procure for the transportation services of the Railroad, and to include in the trust hereby created, other Equipment in lieu of any of the Equipment specifically described herein, the Railroad may cause such other Equipment to be constructed and transferred to the Trustee, to be substituted under the trust, and to that end the Railroad, upon entering into a contract or contracts for the construction of such other Equipment, shall assign to the Trustee all its rights, title and interest under said contract or contracts.

SECTION 3.2. From time to time, when and as any of the Trust Equipment referred to in Section 3.1 shall have been delivered to the Trustee or its agent, the Trustee shall (subject to the provisions of Section 3.3 hereof) pay, upon Request, to the manufacturer or manufacturers of the delivered Trust Equipment out of Deposited Cash an amount which, together with all payments previously made out of Deposited Cash upon deliveries of Trust Equipment, will equal 80% of the aggregate Cost of the Trust Equipment then or theretofore delivered to the Trustee.

SECTION 3.3. The Railroad covenants that, contemporaneously with any payment by the Trustee pursuant to Section 3.2 hereof, it will pay to the Trustee the advance rental provided in Section 4.4(A)(2) hereof, and thereupon the Trustee shall, upon Request, pay to the manufacturer or manufacturers of the delivered Trust Equipment, by the use of such advance rental, the portion of the Cost of the delivered Trust Equipment not paid out of Deposited Cash as provided for in Section 3.2 hereof; the intention being that the Railroad shall ultimately pay not less than 20% of the final Cost of all the Trust Equipment, and the Trustee and the Railroad shall at any time if

appointed (whether or not subject to ratification) for the Railroad or such obligor or for the property of the Railroad or such other obligor in connection with any such proceedings in such manner that such obligations have the same status as obligations incurred by such a trustee or trustees or receiver or receivers, within 30 days after such appointment, if any, or 60 days after such proceedings shall have been commenced, whichever shall be earlier, or

(d) the Railroad shall, for more than 90 days after the Trustee shall have demanded in writing performance thereof, fail or refuse to comply with any other of the terms and covenants hereof on its part to be kept and performed, or to make provision satisfactory to the Trustee for such compliance,

then, in any such case (herein sometimes called an event of default), the Trustee in its discretion may, and upon the written request of the holders of not less than 25% in principal amount of the then outstanding Trust Certificates shall, by notice in writing delivered to the Railroad, declare to be due and payable forthwith the entire amount of the rentals (including any unpaid advance rental, but not including rentals required for the payment of dividends accruing after the date of such declaration) payable by the Railroad as set forth in Section 4.4 hereof and not theretofore paid. Thereupon the entire amount of such rentals shall forthwith become and shall be due and payable immediately without further demand, together with interest at the dividend rate, to the extent legally enforceable, on any portion thereof overdue; and the Trustee shall be entitled to recover judgment for the total amount so becoming payable by the Railroad, together with interest thereon at the dividend rate to the extent legally enforceable, and to collect such judgment out of any property of the Railroad wherever situated.

In addition, in case one or more events of default shall happen, the Trustee in its discretion may, and upon the written request of the holders of not less than 25% in principal amount of the then outstanding Trust Certificates shall, by notice in writing delivered to the Railroad, declare the principal of all the Trust Certificates then outstanding to be due and payable, and thereupon the same shall become and be immediately due and payable.

such corporation meets the requirements of the last sentence of Section 7.10 hereof, shall be the successor trustee hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

ARTICLE VIII

MISCELLANEOUS

SECTION 8.1. Any request or other instrument provided by this Agreement to be signed or executed by holders of Trust Certificates may be in any number of concurrent instruments of similar tenor, and may be executed by such holders in person or by an agent or attorney appointed by an instrument in writing. Proof of the execution of any such request or other instrument, or of a writing appointing any such agent or attorney, or of the holding by any person of Trust Certificates, shall be sufficient for any purpose hereof and shall be conclusive in favor of the Trustee with regard to any action taken by the Trustee under such request or other instrument if made in the following manner, viz.:

(a) The fact and date of the execution by any person of any such request or of any other instrument in writing may be proved by the affidavit of a witness to such execution, or by the certificate of any notary public or of any other officer authorized to take acknowledgments of deeds to be recorded in the state where the acknowledgment may be taken, certifying that the person signing such request or other instrument acknowledged to him the execution thereof.

(b) The amount and serial numbers of Trust Certificates with dividend warrants not registered as to principal held by any person executing any such request or other instrument as a holder of Trust Certificates, and the date of his holding the same, may be proved by a certificate executed by any trust company, bank or other depository, wheresoever situated, whose certificate shall be deemed by the Trustee to be satisfactory, showing that at the date therein mentioned such person had on deposit with or exhibited to such depository the Trust Certificates numbered and described

in such certificate. The Trustee may presume the continuance of any such holding unless and until it shall receive proof satisfactory to it to the contrary.

(c) The ownership of fully registered Trust Certificates and Trust Certificates with dividend warrants registered as to principal shall be determined by the registry books to be kept as provided in Section 7.3 hereof.

SECTION 8.2. Nothing expressed or implied herein is intended or shall be construed to confer upon or to give to any person, firm or corporation, other than the parties hereto and the holders of the Trust Certificates and dividend warrants, any right, remedy or claim under or by reason of this Agreement or of any term, covenant or condition hereof, and all the terms, covenants, conditions, promises and agreements contained herein shall be for the sole and exclusive benefit of the parties hereto and their successors and of the holders of the Trust Certificates and dividend warrants.

SECTION 8.3. Except as otherwise provided herein, the provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 8.4. All demands, notices and communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered or mailed by registered mail (a) to the Railroad, to 104 St. Francis Street, Mobile, Alabama 36601, or to such other address as may hereafter be furnished to the Trustee in writing by the Railroad and (b) to the Trustee, to 106 St. Francis Street, Mobile, Alabama 36602, or to such other address as may hereafter be furnished to the Railroad in writing by the Trustee. An affidavit by any person representing or acting on behalf of the Railroad or the Trustee, as to such mailing, having the registry receipt attached, shall be conclusive evidence of the giving of such demand, notice or communication.

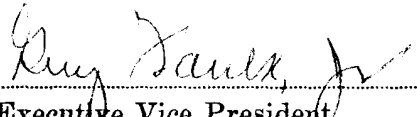
SECTION 8.5. This Agreement has been simultaneously executed in several counterparts each of which shall be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

SECTION 8.6. This Agreement shall be deemed to have been executed on the date of the acknowledgment thereof by the officer of the Trustee who signed it on behalf of the Trustee.

SECTION 8.7. The provisions of this Agreement, and all the rights and obligations of the parties hereunder, shall be governed by the laws of the State of New York.

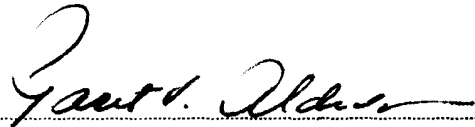
IN WITNESS WHEREOF, the parties hereto have caused their names to be signed hereto by their respective officers thereunto duly authorized and their respective corporate seals, duly attested, to be hereunto affixed as of the date first written.

THE MERCHANTS NATIONAL BANK OF MOBILE,
Trustee,


By 
Executive Vice President
and Trust Officer.

ATTEST:

[Corporate Seal]

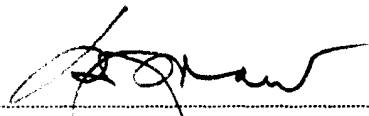

Senior Vice President
and Trust Officer.

GULF, MOBILE AND OHIO RAILROAD COMPANY,

By 
Senior Vice President.

ATTEST:

[Corporate Seal]


Assistant Secretary

SECTION 2.6. In case any Trust Certificate, or the dividend warrants, if any, thereto appertaining, shall become mutilated or defaced or be lost, stolen or destroyed, then on the terms herein set forth, and not otherwise, the Trustee, upon Request, (a) shall execute and deliver a new Trust Certificate, and the Railroad shall execute its guaranty thereon, with all unmatured dividend warrants appertaining thereto, if a Trust Certificate with dividend warrants, of like maturity, tenor and date as the one mutilated, defaced, lost, stolen or destroyed, in exchange and substitution for, and upon cancellation of, the mutilated or defaced Trust Certificate and dividend warrants, or in lieu of or in substitution for the same if lost, stolen or destroyed and (b) shall make payment of any matured and unpaid dividend warrants appertaining to the same. The applicant for a new Trust Certificate shall furnish to the Trustee and to the Railroad evidence to their satisfaction of the mutilation, defacement, loss, theft or destruction of such Trust Certificate and dividend warrants, if any, alleged to have been lost, stolen or destroyed, and of the ownership and authenticity of such mutilated, defaced, lost, stolen or destroyed Trust Certificate and dividend warrants, and also such security and indemnity as may be required by the Trustee and by the Railroad, in their discretion; and shall pay all expenses and charges of such substitution or exchange. All Trust Certificates and dividend warrants shall be issued, held and owned upon the express condition that the foregoing provisions are exclusive in respect of the replacement of mutilated, defaced, lost, stolen or destroyed Trust Certificates and dividend warrants, and shall preclude any and all other rights and remedies, any law or statute now existing or hereafter enacted to the contrary notwithstanding.

ARTICLE III

ACQUISITION OF TRUST EQUIPMENT BY TRUSTEE; DEPOSITED CASH

SECTION 3.1. The Railroad, as speedily as may be, shall cause to be constructed and sold, assigned, transferred and set over unto the Trustee as trustee for the holders of the Trust Certificates and dividend warrants, the Equipment described in Exhibit A hereto. To that end the Railroad hereby assigns, or as speedily as may be

after entering into the contract or contracts for the construction of such Equipment agrees to assign, to the Trustee all its rights, title and interest under said contract or contracts. Such Equipment shall be delivered to the Railroad, which is hereby designated by the Trustee as its agent to receive such delivery, and an Officer's Certificate (or a certificate of an agent or agents designated by the Trustee to receive delivery of the Trust Equipment) as to such delivery shall be conclusive evidence of such delivery.

In the event that it may be deemed necessary or desirable to procure for the transportation services of the Railroad, and to include in the trust hereby created, other Equipment in lieu of any of the Equipment specifically described herein, the Railroad may cause such other Equipment to be constructed and transferred to the Trustee, to be substituted under the trust, and to that end the Railroad, upon entering into a contract or contracts for the construction of such other Equipment, shall assign to the Trustee all its rights, title and interest under said contract or contracts.

SECTION 3.2. From time to time, when and as any of the Trust Equipment referred to in Section 3.1 shall have been delivered to the Trustee or its agent, the Trustee shall (subject to the provisions of Section 3.3 hereof) pay, upon Request, to the manufacturer or manufacturers of the delivered Trust Equipment out of Deposited Cash an amount which, together with all payments previously made out of Deposited Cash upon deliveries of Trust Equipment, will equal 80% of the aggregate Cost of the Trust Equipment then or theretofore delivered to the Trustee.

SECTION 3.3. The Railroad covenants that, contemporaneously with any payment by the Trustee pursuant to Section 3.2 hereof, it will pay to the Trustee the advance rental provided in Section 4.4(A)(2) hereof, and thereupon the Trustee shall, upon Request, pay to the manufacturer or manufacturers of the delivered Trust Equipment, by the use of such advance rental, the portion of the Cost of the delivered Trust Equipment not paid out of Deposited Cash as provided for in Section 3.2 hereof; the intention being that the Railroad shall ultimately pay not less than 20% of the final Cost of all the Trust Equipment, and the Trustee and the Railroad shall at any time if

appointed (whether or not subject to ratification) for the Railroad or such obligor or for the property of the Railroad or such other obligor in connection with any such proceedings in such manner that such obligations have the same status as obligations incurred by such a trustee or trustees or receiver or receivers, within 30 days after such appointment, if any, or 60 days after such proceedings shall have been commenced, whichever shall be earlier, or

(d) the Railroad shall, for more than 90 days after the Trustee shall have demanded in writing performance thereof, fail or refuse to comply with any other of the terms and covenants hereof on its part to be kept and performed, or to make provision satisfactory to the Trustee for such compliance,

then, in any such case (herein sometimes called an event of default), the Trustee in its discretion may, and upon the written request of the holders of not less than 25% in principal amount of the then outstanding Trust Certificates shall, by notice in writing delivered to the Railroad, declare to be due and payable forthwith the entire amount of the rentals (including any unpaid advance rental, but not including rentals required for the payment of dividends accruing after the date of such declaration) payable by the Railroad as set forth in Section 4.4 hereof and not theretofore paid. Thereupon the entire amount of such rentals shall forthwith become and shall be due and payable immediately without further demand, together with interest at the dividend rate, to the extent legally enforceable, on any portion thereof overdue; and the Trustee shall be entitled to recover judgment for the total amount so becoming payable by the Railroad, together with interest thereon at the dividend rate to the extent legally enforceable, and to collect such judgment out of any property of the Railroad wherever situated.

In addition, in case one or more events of default shall happen, the Trustee in its discretion may, and upon the written request of the holders of not less than 25% in principal amount of the then outstanding Trust Certificates shall, by notice in writing delivered to the Railroad, declare the principal of all the Trust Certificates then outstanding to be due and payable, and thereupon the same shall become and be immediately due and payable.

such corporation meets the requirements of the last sentence of Section 7.10 hereof, shall be the successor trustee hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

ARTICLE VIII

MISCELLANEOUS

SECTION 8.1. Any request or other instrument provided by this Agreement to be signed or executed by holders of Trust Certificates may be in any number of concurrent instruments of similar tenor, and may be executed by such holders in person or by an agent or attorney appointed by an instrument in writing. Proof of the execution of any such request or other instrument, or of a writing appointing any such agent or attorney, or of the holding by any person of Trust Certificates, shall be sufficient for any purpose hereof and shall be conclusive in favor of the Trustee with regard to any action taken by the Trustee under such request or other instrument if made in the following manner, viz.:

(a) The fact and date of the execution by any person of any such request or of any other instrument in writing may be proved by the affidavit of a witness to such execution, or by the certificate of any notary public or of any other officer authorized to take acknowledgments of deeds to be recorded in the state where the acknowledgment may be taken, certifying that the person signing such request or other instrument acknowledged to him the execution thereof.

(b) The amount and serial numbers of Trust Certificates with dividend warrants not registered as to principal held by any person executing any such request or other instrument as a holder of Trust Certificates, and the date of his holding the same, may be proved by a certificate executed by any trust company, bank or other depository, wheresoever situated, whose certificate shall be deemed by the Trustee to be satisfactory, showing that at the date therein mentioned such person had on deposit with or exhibited to such depository the Trust Certificates numbered and described

in such certificate. The Trustee may presume the continuance of any such holding unless and until it shall receive proof satisfactory to it to the contrary.

(c) The ownership of fully registered Trust Certificates and Trust Certificates with dividend warrants registered as to principal shall be determined by the registry books to be kept as provided in Section 7.3 hereof.

SECTION 8.2. Nothing expressed or implied herein is intended or shall be construed to confer upon or to give to any person, firm or corporation, other than the parties hereto and the holders of the Trust Certificates and dividend warrants, any right, remedy or claim under or by reason of this Agreement or of any term, covenant or condition hereof, and all the terms, covenants, conditions, promises and agreements contained herein shall be for the sole and exclusive benefit of the parties hereto and their successors and of the holders of the Trust Certificates and dividend warrants.

SECTION 8.3. Except as otherwise provided herein, the provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 8.4. All demands, notices and communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered or mailed by registered mail (a) to the Railroad, to 104 St. Francis Street, Mobile, Alabama 36601, or to such other address as may hereafter be furnished to the Trustee in writing by the Railroad and (b) to the Trustee, to 106 St. Francis Street, Mobile, Alabama 36602, or to such other address as may hereafter be furnished to the Railroad in writing by the Trustee. An affidavit by any person representing or acting on behalf of the Railroad or the Trustee, as to such mailing, having the registry receipt attached, shall be conclusive evidence of the giving of such demand, notice or communication.

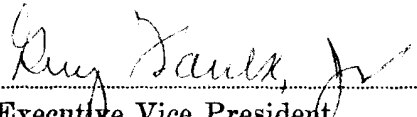
SECTION 8.5. This Agreement has been simultaneously executed in several counterparts each of which shall be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

SECTION 8.6. This Agreement shall be deemed to have been executed on the date of the acknowledgment thereof by the officer of the Trustee who signed it on behalf of the Trustee.

SECTION 8.7. The provisions of this Agreement, and all the rights and obligations of the parties hereunder, shall be governed by the laws of the State of New York.

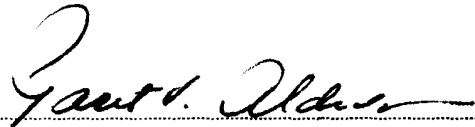
IN WITNESS WHEREOF, the parties hereto have caused their names to be signed hereto by their respective officers thereunto duly authorized and their respective corporate seals, duly attested, to be hereunto affixed as of the date first written.

THE MERCHANTS NATIONAL BANK OF MOBILE,
Trustee,


By 
Executive Vice President
and Trust Officer.

ATTEST:

[Corporate Seal]

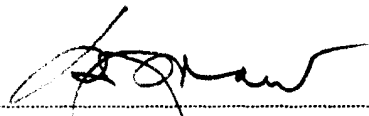

Senior Vice President
and Trust Officer.

GULF, MOBILE AND OHIO RAILROAD COMPANY,

By 
Senior Vice President.

ATTEST:

[Corporate Seal]


Assistant Secretary

STATE OF ALABAMA }
COUNTY OF MOBILE } ss.:

On this 8th day of April, 1971, before me personally appeared GUY FAULK, JR., to me personally known, who, being by me duly sworn, says that he is Executive Vice President and Trust Officer of THE MERCHANTS NATIONAL BANK OF MOBILE, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

My Commission expires
November 24, 1971

Joan Elizabeth Edwards
Notary Public.

[Notorial Seal]

STATE OF ALABAMA }
COUNTY OF MOBILE } ss.:

On this 8th day of April, 1971, before me personally appeared R. E. STEVENSON, to me personally known, who, being by me duly sworn, says that he is Senior Vice President of GULF, MOBILE AND OHIO RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

My Commission expires *July 14, 1971.*

S. J. Steiner
Notary Public.

[Notorial Seal]

EXHIBIT A

<u>Number of Units</u>	<u>Description</u>	<u>Estimated Cost</u>
9	2000 H.P. Model GP 38 AC Diesel Electric Locomotives, numbered GM&O 721 to 729, both inclusive (General Motors Corporation (Electro-Motive Division), Builder), at an estimated cost of \$221,906 per unit	\$1,997,154
3	2000 H.P. Model GP 38 AC Diesel Electric Locomotives, numbered GM&O 730 to 732, both inclusive (General Motors Corporation (Electro-Motive Division), Builder), at an estimated cost of \$216,906 per unit	650,718
300	70-Ton 50'6" Box Cars with DF Equipment, Numbered GM&O 55300 to 55599, both inclusive (Pullman Incorporated (Pullman-Standard Division), Builder), at an estimated cost of \$15,215.60 per unit	4,564,680
		<u>\$7,212,552</u>

ARTICLE VII
THE TRUSTEE

SECTION 7.1. The Trustee hereby accepts the trusts imposed upon it by this Agreement, and covenants and agrees to perform the same as herein expressed.

SECTION 7.2. The Trustee covenants and agrees to apply and distribute the rentals received by it under Section 4.4(B) hereof (other than sums restored to Deposited Cash from rentals pursuant to Section 4.4(B)(1) hereof) when and as the same shall be received, and to the extent that such rentals shall be sufficient therefor, for the purposes specified in said Section 4.4(B).

SECTION 7.3. The Trustee shall cause to be kept at an agency in the Borough of Manhattan, City and State of New York (which agency may be the office of the Railroad in said Borough and City), books for the registration and transfer of the Trust Certificates; and upon presentation for such purpose the Trustee will register or cause to be registered as hereinbefore provided, under such reasonable regulations as it may prescribe, any of the Trust Certificates, but not the dividend warrants, if any, attached thereto.

SECTION 7.4. The Trustee shall not be required to undertake any act or duty in the way of insuring, taking care of or taking possession of the Trust Equipment or to undertake any other act or duty under this Agreement until fully indemnified by the Railroad or by one or more of the holders of the Trust Certificates against all liability and expenses. The Trustee shall not be responsible for the filing or recording or refiling or rerecording of this Agreement or of any supplement hereto. The Trustee may issue and deliver Trust Certificates in advance of such filing or recording. In accepting delivery of and making payment for the Trust Equipment hereunder, or in accepting any cash payable hereunder in respect of Trust Equipment, the Trustee may rely upon and shall be fully protected by the documents to be furnished to it under Section 3.4, 4.7 or 4.9 hereof, as the case may be, and shall not be required to make any further investigation of or inquiry concerning the matters covered thereby.

SECTION 7.5. The Trustee shall be under no obligation to take any action for the execution or enforcement of the trust hereby created unless requested thereunto in writing by the holders of not less than 25% in principal amount of the then outstanding Trust Certificates and unless indemnified to its satisfaction against expense and liability with respect thereto, and unless also furnished with proof satisfactory to it as to the ownership of the Trust Certificates in respect of which any such request may be made; but this provision, in the absence of such request, shall not affect any discretion herein given to the Trustee to determine whether it shall take action in respect of any default hereunder or what action it shall take.

SECTION 7.6. No holder of any Trust Certificate or dividend warrant shall have any right to institute any suit, action or proceeding for the execution and enforcement of the trust hereby created unless, after the aforesaid request in writing by the holders of not less than 25% in principal amount of the then outstanding Trust Certificates shall have been made to the Trustee, and after indemnity satisfactory to it shall have been provided, and after 90 days shall have elapsed after receipt by the Trustee of such request, it shall decline, fail or neglect to institute any proceedings pursuant thereto. Neither the provisions of this Section 7.6 nor the provisions of Sections 7.5 hereof shall affect or limit in any way the obligations of the Railroad under its guaranty hereinabove provided or the rights of the holders of Trust Certificates or dividend warrants to institute suit for the enforcement of payments due under said guaranty in respect of the Trust Certificates or dividend warrants.

SECTION 7.7. The Trustee may for all purposes conclusively assume that the Railroad is not in default under the terms hereof until notified in writing to the contrary by the holders of at least 10% in principal amount of the then outstanding Trust Certificates, which notice shall distinctly specify the event of default desired to be brought to the attention of the Trustee. As to any fact or matter the manner of determining which is not specifically prescribed herein, the Trustee may for all purposes rely upon an Officer's Certificate as to such fact or matter. The Trustee shall not incur any liability to anyone in relying conclusively on, and in acting upon, any notice, consent, order, cer-

tificate, warrant or other paper or instrument believed by it to be genuine or authentic and to be signed by the proper party or parties.

SECTION 7.8. Any money at any time paid to or held by the Trustee hereunder until paid out by the Trustee as herein provided may be carried by the Trustee on deposit with itself, and the Trustee will allow interest upon any such moneys held by it in trust at the rate generally prevailing among Mobile, Alabama, banks and trust companies or allowed by it upon deposits of a similar character.

At any time, and from time to time, if at the time there shall be no default under the terms of this Agreement or of any supplement hereto, the Trustee, on Request, shall invest and reinvest Deposited Cash and Replacement Funds held by it in Government Securities, at such prices, including any premium and accrued interest, as are set forth in such Request, such Government Securities to be held by the Trustee in trust for the benefit of the holders of the Trust Certificates and dividend warrants.

The Trustee may, and on Request shall, in the event funds are required for payment against delivery of any Equipment, sell such Government Securities, or any portion thereof, and restore to Deposited Cash or Replacement Funds, as the case may be, the proceeds of any such sale up to the amount paid for such Government Securities, including accrued interest.

The Trustee shall restore to Deposited Cash or Replacement Funds, as the case may be, out of rent received by it for that purpose under the provisions of Section 4.4(B)(1) hereof, an amount equal to any expenses incurred in connection with any purchase or sale of Government Securities and also an amount equal to any loss of principal incident to the sale or redemption of any Government Securities for a sum less than the amount paid therefor, including accrued interest. The Railroad, if not in default under the terms hereof or any supplement hereto, shall be entitled to receive any profit which may be realized from any sale or redemption of Government Securities or any portion thereof.

SECTION 7.9. The Trustee shall not be liable to anyone for any delay in the delivery of any of the Trust Equipment, or for any default

appointed (whether or not subject to ratification) for the Railroad or such obligor or for the property of the Railroad or such other obligor in connection with any such proceedings in such manner that such obligations have the same status as obligations incurred by such a trustee or trustees or receiver or receivers, within 30 days after such appointment, if any, or 60 days after such proceedings shall have been commenced, whichever shall be earlier, or

(d) the Railroad shall, for more than 90 days after the Trustee shall have demanded in writing performance thereof, fail or refuse to comply with any other of the terms and covenants hereof on its part to be kept and performed, or to make provision satisfactory to the Trustee for such compliance,

then, in any such case (herein sometimes called an event of default), the Trustee in its discretion may, and upon the written request of the holders of not less than 25% in principal amount of the then outstanding Trust Certificates shall, by notice in writing delivered to the Railroad, declare to be due and payable forthwith the entire amount of the rentals (including any unpaid advance rental, but not including rentals required for the payment of dividends accruing after the date of such declaration) payable by the Railroad as set forth in Section 4.4 hereof and not theretofore paid. Thereupon the entire amount of such rentals shall forthwith become and shall be due and payable immediately without further demand, together with interest at the dividend rate, to the extent legally enforceable, on any portion thereof overdue; and the Trustee shall be entitled to recover judgment for the total amount so becoming payable by the Railroad, together with interest thereon at the dividend rate to the extent legally enforceable, and to collect such judgment out of any property of the Railroad wherever situated.

In addition, in case one or more events of default shall happen, the Trustee in its discretion may, and upon the written request of the holders of not less than 25% in principal amount of the then outstanding Trust Certificates shall, by notice in writing delivered to the Railroad, declare the principal of all the Trust Certificates then outstanding to be due and payable, and thereupon the same shall become and be immediately due and payable.

such corporation meets the requirements of the last sentence of Section 7.10 hereof, shall be the successor trustee hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

ARTICLE VIII

MISCELLANEOUS

SECTION 8.1. Any request or other instrument provided by this Agreement to be signed or executed by holders of Trust Certificates may be in any number of concurrent instruments of similar tenor, and may be executed by such holders in person or by an agent or attorney appointed by an instrument in writing. Proof of the execution of any such request or other instrument, or of a writing appointing any such agent or attorney, or of the holding by any person of Trust Certificates, shall be sufficient for any purpose hereof and shall be conclusive in favor of the Trustee with regard to any action taken by the Trustee under such request or other instrument if made in the following manner, viz.:

(a) The fact and date of the execution by any person of any such request or of any other instrument in writing may be proved by the affidavit of a witness to such execution, or by the certificate of any notary public or of any other officer authorized to take acknowledgments of deeds to be recorded in the state where the acknowledgment may be taken, certifying that the person signing such request or other instrument acknowledged to him the execution thereof.

(b) The amount and serial numbers of Trust Certificates with dividend warrants not registered as to principal held by any person executing any such request or other instrument as a holder of Trust Certificates, and the date of his holding the same, may be proved by a certificate executed by any trust company, bank or other depository, wheresoever situated, whose certificate shall be deemed by the Trustee to be satisfactory, showing that at the date therein mentioned such person had on deposit with or exhibited to such depository the Trust Certificates numbered and described

in such certificate. The Trustee may presume the continuance of any such holding unless and until it shall receive proof satisfactory to it to the contrary.

(c) The ownership of fully registered Trust Certificates and Trust Certificates with dividend warrants registered as to principal shall be determined by the registry books to be kept as provided in Section 7.3 hereof.

SECTION 8.2. Nothing expressed or implied herein is intended or shall be construed to confer upon or to give to any person, firm or corporation, other than the parties hereto and the holders of the Trust Certificates and dividend warrants, any right, remedy or claim under or by reason of this Agreement or of any term, covenant or condition hereof, and all the terms, covenants, conditions, promises and agreements contained herein shall be for the sole and exclusive benefit of the parties hereto and their successors and of the holders of the Trust Certificates and dividend warrants.

SECTION 8.3. Except as otherwise provided herein, the provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 8.4. All demands, notices and communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered or mailed by registered mail (a) to the Railroad, to 104 St. Francis Street, Mobile, Alabama 36601, or to such other address as may hereafter be furnished to the Trustee in writing by the Railroad and (b) to the Trustee, to 106 St. Francis Street, Mobile, Alabama 36602, or to such other address as may hereafter be furnished to the Railroad in writing by the Trustee. An affidavit by any person representing or acting on behalf of the Railroad or the Trustee, as to such mailing, having the registry receipt attached, shall be conclusive evidence of the giving of such demand, notice or communication.

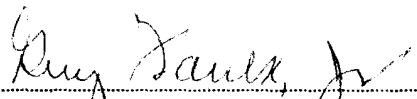
SECTION 8.5. This Agreement has been simultaneously executed in several counterparts each of which shall be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

SECTION 8.6. This Agreement shall be deemed to have been executed on the date of the acknowledgment thereof by the officer of the Trustee who signed it on behalf of the Trustee.

SECTION 8.7. The provisions of this Agreement, and all the rights and obligations of the parties hereunder, shall be governed by the laws of the State of New York.

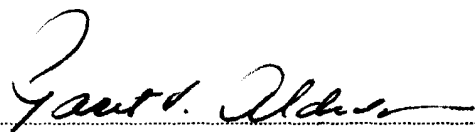
IN WITNESS WHEREOF, the parties hereto have caused their names to be signed hereto by their respective officers thereunto duly authorized and their respective corporate seals, duly attested, to be hereunto affixed as of the date first written.

THE MERCHANTS NATIONAL BANK OF MOBILE,
Trustee,


By 
Executive Vice President
and Trust Officer.

ATTEST:

[Corporate Seal]

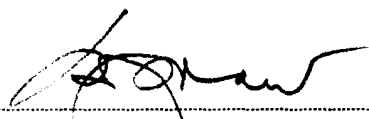

Senior Vice President
and Trust Officer.

GULF, MOBILE AND OHIO RAILROAD COMPANY,

By 
Senior Vice President.

ATTEST:

[Corporate Seal]


Assistant Secretary

STATE OF ALABAMA }
COUNTY OF MOBILE } ss.:

On this 8th day of April, 1971, before me personally appeared GUY FAULK, JR., to me personally known, who, being by me duly sworn, says that he is Executive Vice President and Trust Officer of THE MERCHANTS NATIONAL BANK OF MOBILE, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

My Commission expires
November 24, 1971

Joan Elizabeth Edwards
Notary Public.

[Notorial Seal]

STATE OF ALABAMA }
COUNTY OF MOBILE } ss.:

On this 8th day of April, 1971, before me personally appeared R. E. STEVENSON, to me personally known, who, being by me duly sworn, says that he is Senior Vice President of GULF, MOBILE AND OHIO RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

My Commission expires *July 14, 1971.*

S. J. Steiner
Notary Public.

[Notorial Seal]

EXHIBIT A

<u>Number of Units</u>	<u>Description</u>	<u>Estimated Cost</u>
9	2000 H.P. Model GP 38 AC Diesel Electric Locomotives, numbered GM&O 721 to 729, both inclusive (General Motors Corporation (Electro-Motive Division), Builder), at an estimated cost of \$221,906 per unit	\$1,997,154
3	2000 H.P. Model GP 38 AC Diesel Electric Locomotives, numbered GM&O 730 to 732, both inclusive (General Motors Corporation (Electro-Motive Division), Builder), at an estimated cost of \$216,906 per unit	650,718
300	70-Ton 50'6" Box Cars with DF Equipment, Numbered GM&O 55300 to 55599, both inclusive (Pullman Incorporated (Pullman-Standard Division), Builder), at an estimated cost of \$15,215.60 per unit	4,564,680
		<u>\$7,212,552</u>

ARTICLE VII
THE TRUSTEE

SECTION 7.1. The Trustee hereby accepts the trusts imposed upon it by this Agreement, and covenants and agrees to perform the same as herein expressed.

SECTION 7.2. The Trustee covenants and agrees to apply and distribute the rentals received by it under Section 4.4(B) hereof (other than sums restored to Deposited Cash from rentals pursuant to Section 4.4(B)(1) hereof) when and as the same shall be received, and to the extent that such rentals shall be sufficient therefor, for the purposes specified in said Section 4.4(B).

SECTION 7.3. The Trustee shall cause to be kept at an agency in the Borough of Manhattan, City and State of New York (which agency may be the office of the Railroad in said Borough and City), books for the registration and transfer of the Trust Certificates; and upon presentation for such purpose the Trustee will register or cause to be registered as hereinbefore provided, under such reasonable regulations as it may prescribe, any of the Trust Certificates, but not the dividend warrants, if any, attached thereto.

SECTION 7.4. The Trustee shall not be required to undertake any act or duty in the way of insuring, taking care of or taking possession of the Trust Equipment or to undertake any other act or duty under this Agreement until fully indemnified by the Railroad or by one or more of the holders of the Trust Certificates against all liability and expenses. The Trustee shall not be responsible for the filing or recording or refiling or rerecording of this Agreement or of any supplement hereto. The Trustee may issue and deliver Trust Certificates in advance of such filing or recording. In accepting delivery of and making payment for the Trust Equipment hereunder, or in accepting any cash payable hereunder in respect of Trust Equipment, the Trustee may rely upon and shall be fully protected by the documents to be furnished to it under Section 3.4, 4.7 or 4.9 hereof, as the case may be, and shall not be required to make any further investigation of or inquiry concerning the matters covered thereby.

SECTION 7.5. The Trustee shall be under no obligation to take any action for the execution or enforcement of the trust hereby created unless requested thereunto in writing by the holders of not less than 25% in principal amount of the then outstanding Trust Certificates and unless indemnified to its satisfaction against expense and liability with respect thereto, and unless also furnished with proof satisfactory to it as to the ownership of the Trust Certificates in respect of which any such request may be made; but this provision, in the absence of such request, shall not affect any discretion herein given to the Trustee to determine whether it shall take action in respect of any default hereunder or what action it shall take.

SECTION 7.6. No holder of any Trust Certificate or dividend warrant shall have any right to institute any suit, action or proceeding for the execution and enforcement of the trust hereby created unless, after the aforesaid request in writing by the holders of not less than 25% in principal amount of the then outstanding Trust Certificates shall have been made to the Trustee, and after indemnity satisfactory to it shall have been provided, and after 90 days shall have elapsed after receipt by the Trustee of such request, it shall decline, fail or neglect to institute any proceedings pursuant thereto. Neither the provisions of this Section 7.6 nor the provisions of Sections 7.5 hereof shall affect or limit in any way the obligations of the Railroad under its guaranty hereinabove provided or the rights of the holders of Trust Certificates or dividend warrants to institute suit for the enforcement of payments due under said guaranty in respect of the Trust Certificates or dividend warrants.

SECTION 7.7. The Trustee may for all purposes conclusively assume that the Railroad is not in default under the terms hereof until notified in writing to the contrary by the holders of at least 10% in principal amount of the then outstanding Trust Certificates, which notice shall distinctly specify the event of default desired to be brought to the attention of the Trustee. As to any fact or matter the manner of determining which is not specifically prescribed herein, the Trustee may for all purposes rely upon an Officer's Certificate as to such fact or matter. The Trustee shall not incur any liability to anyone in relying conclusively on, and in acting upon, any notice, consent, order, cer-

tificate, warrant or other paper or instrument believed by it to be genuine or authentic and to be signed by the proper party or parties.

SECTION 7.8. Any money at any time paid to or held by the Trustee hereunder until paid out by the Trustee as herein provided may be carried by the Trustee on deposit with itself, and the Trustee will allow interest upon any such moneys held by it in trust at the rate generally prevailing among Mobile, Alabama, banks and trust companies or allowed by it upon deposits of a similar character.

At any time, and from time to time, if at the time there shall be no default under the terms of this Agreement or of any supplement hereto, the Trustee, on Request, shall invest and reinvest Deposited Cash and Replacement Funds held by it in Government Securities, at such prices, including any premium and accrued interest, as are set forth in such Request, such Government Securities to be held by the Trustee in trust for the benefit of the holders of the Trust Certificates and dividend warrants.

The Trustee may, and on Request shall, in the event funds are required for payment against delivery of any Equipment, sell such Government Securities, or any portion thereof, and restore to Deposited Cash or Replacement Funds, as the case may be, the proceeds of any such sale up to the amount paid for such Government Securities, including accrued interest.

The Trustee shall restore to Deposited Cash or Replacement Funds, as the case may be, out of rent received by it for that purpose under the provisions of Section 4.4(B)(1) hereof, an amount equal to any expenses incurred in connection with any purchase or sale of Government Securities and also an amount equal to any loss of principal incident to the sale or redemption of any Government Securities for a sum less than the amount paid therefor, including accrued interest. The Railroad, if not in default under the terms hereof or any supplement hereto, shall be entitled to receive any profit which may be realized from any sale or redemption of Government Securities or any portion thereof.

SECTION 7.9. The Trustee shall not be liable to anyone for any delay in the delivery of any of the Trust Equipment, or for any default

on the part of the manufacturers thereof or of the Railroad, or for any defect in any of the Trust Equipment or in the title thereto, nor shall anything herein be construed as a warranty on the part of the Trustee in respect thereof or as a representation in respect of the value thereof or in respect of the title thereto.

The Trustee may perform its powers and duties hereunder by or through such attorneys, agents and servants as it shall appoint, and shall be entitled to rely upon the advice of counsel (who may be counsel to the Railroad), and shall be answerable for only its own acts, negligence and wilful defaults and not for the default or misconduct of any attorney, agent or servant appointed by it with reasonable care. The Trustee shall not be responsible in any way for the recitals herein contained or for the execution or validity of this Agreement or of the Trust Certificates (except for its own execution thereof), or for the guaranty by the Railroad, or for any mistake of fact or law.

The Trustee shall be entitled to receive payment of all of its expenses and disbursements hereunder, including reasonable counsel fees, and to receive reasonable compensation for all services rendered by it in the execution of the trust hereby created, all of which shall be paid by the Railroad.

The Trustee in its individual capacity may own, hold and dispose of Trust Certificates and dividend warrants with the same rights which it would have if it were not Trustee.

Any moneys at any time held by the Trustee hereunder shall, until paid out or invested by the Trustee as herein provided, be held by it in trust as herein provided for the benefit of the holders of the Trust Certificates and dividend warrants.

SECTION 7.10. If at any time the Trustee or any successor to it in the trust hereby created shall desire to divest itself of title to the Trust Equipment, and to terminate its duties and obligations and rights hereunder and under the Trust Certificates, it shall so notify the Railroad in writing, and the Railroad shall thereupon designate in writing to the Trustee a national bank or a trust company, qualified as below specified, to serve until a successor is appointed by the holders of Trust Certificates as hereinafter provided, to which may be assigned the entire right, title and interest of the Trustee or such

successor in the Trust Equipment, and in which may be vested the rights, powers, duties and obligations of the Trustee hereunder and under the Trust Certificates. Upon the transfer and delivery of all moneys and Trust Equipment held by the retiring trustee, and the execution by the retiring trustee of such instruments of transfer as may be reasonably requested by the successor trustee, and upon acceptance by the successor trustee of the assignment and of the trust, the retiring trustee shall be relieved and discharged of all the title, rights, powers, duties and obligations of the trust hereunder and under the Trust Certificates, and the same shall become vested in such successor trustee, and every provision hereof applicable to the retiring trustee shall apply to such successor trustee with like effect as if such successor trustee had been originally named herein in the place and stead of the retiring trustee. In the event that the Railroad shall fail to designate such a successor trustee by instrument in writing delivered to the retiring trustee within two weeks from the time of receiving such notice in writing from the retiring trustee, the retiring trustee may thereupon designate such successor trustee. The foregoing provisions are, however, subject to the right of the holders of the majority in principal amount of the then outstanding Trust Certificates by an instrument in writing to appoint any successor trustee, if such appointment is made within one year from the date of the giving of such notice to the Railroad. The Railroad shall execute all writings recognizing the transfer of title as aforesaid and all instruments of further assurance or otherwise as reasonably may be requested by the successor trustee in the premises, and will do and perform any and all acts necessary to establish and maintain the title and rights of the successor trustee in and to the Trust Equipment. Every successor trustee shall be a national bank or a trust company doing business in Mobile, Alabama, or in the Borough of Manhattan, City and State of New York, having a capital and surplus aggregating at least \$3,000,000, if there be such national bank or trust company willing and able to accept the trust upon reasonable and customary terms and duly qualified to act as such trustee.

SECTION 7.11. Any corporation resulting from any merger or consolidation to which the Trustee or any successor to it shall be a party, or any corporation in any manner succeeding to all or substantially all of the business of the Trustee or any successor trustee, provided

such corporation meets the requirements of the last sentence of Section 7.10 hereof, shall be the successor trustee hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

ARTICLE VIII

MISCELLANEOUS

SECTION 8.1. Any request or other instrument provided by this Agreement to be signed or executed by holders of Trust Certificates may be in any number of concurrent instruments of similar tenor, and may be executed by such holders in person or by an agent or attorney appointed by an instrument in writing. Proof of the execution of any such request or other instrument, or of a writing appointing any such agent or attorney, or of the holding by any person of Trust Certificates, shall be sufficient for any purpose hereof and shall be conclusive in favor of the Trustee with regard to any action taken by the Trustee under such request or other instrument if made in the following manner, viz.:

(a) The fact and date of the execution by any person of any such request or of any other instrument in writing may be proved by the affidavit of a witness to such execution, or by the certificate of any notary public or of any other officer authorized to take acknowledgments of deeds to be recorded in the state where the acknowledgment may be taken, certifying that the person signing such request or other instrument acknowledged to him the execution thereof.

(b) The amount and serial numbers of Trust Certificates with dividend warrants not registered as to principal held by any person executing any such request or other instrument as a holder of Trust Certificates, and the date of his holding the same, may be proved by a certificate executed by any trust company, bank or other depository, wheresoever situated, whose certificate shall be deemed by the Trustee to be satisfactory, showing that at the date therein mentioned such person had on deposit with or exhibited to such depository the Trust Certificates numbered and described

in such certificate. The Trustee may presume the continuance of any such holding unless and until it shall receive proof satisfactory to it to the contrary.

(c) The ownership of fully registered Trust Certificates and Trust Certificates with dividend warrants registered as to principal shall be determined by the registry books to be kept as provided in Section 7.3 hereof.

SECTION 8.2. Nothing expressed or implied herein is intended or shall be construed to confer upon or to give to any person, firm or corporation, other than the parties hereto and the holders of the Trust Certificates and dividend warrants, any right, remedy or claim under or by reason of this Agreement or of any term, covenant or condition hereof, and all the terms, covenants, conditions, promises and agreements contained herein shall be for the sole and exclusive benefit of the parties hereto and their successors and of the holders of the Trust Certificates and dividend warrants.

SECTION 8.3. Except as otherwise provided herein, the provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 8.4. All demands, notices and communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered or mailed by registered mail (a) to the Railroad, to 104 St. Francis Street, Mobile, Alabama 36601, or to such other address as may hereafter be furnished to the Trustee in writing by the Railroad and (b) to the Trustee, to 106 St. Francis Street, Mobile, Alabama 36602, or to such other address as may hereafter be furnished to the Railroad in writing by the Trustee. An affidavit by any person representing or acting on behalf of the Railroad or the Trustee, as to such mailing, having the registry receipt attached, shall be conclusive evidence of the giving of such demand, notice or communication.

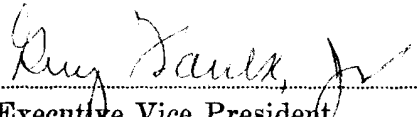
SECTION 8.5. This Agreement has been simultaneously executed in several counterparts each of which shall be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

SECTION 8.6. This Agreement shall be deemed to have been executed on the date of the acknowledgment thereof by the officer of the Trustee who signed it on behalf of the Trustee.

SECTION 8.7. The provisions of this Agreement, and all the rights and obligations of the parties hereunder, shall be governed by the laws of the State of New York.

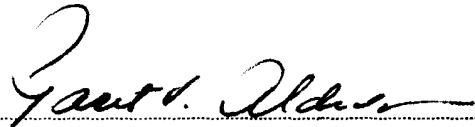
IN WITNESS WHEREOF, the parties hereto have caused their names to be signed hereto by their respective officers thereunto duly authorized and their respective corporate seals, duly attested, to be hereunto affixed as of the date first written.

THE MERCHANTS NATIONAL BANK OF MOBILE,
Trustee,


By 
Executive Vice President
and Trust Officer.

ATTEST:

[Corporate Seal]

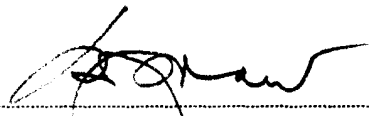

Senior Vice President
and Trust Officer.

GULF, MOBILE AND OHIO RAILROAD COMPANY,

By 
Senior Vice President.

ATTEST:

[Corporate Seal]


Assistant Secretary

STATE OF ALABAMA }
COUNTY OF MOBILE } ss.:

On this 8th day of April, 1971, before me personally appeared GUY FAULK, JR., to me personally known, who, being by me duly sworn, says that he is Executive Vice President and Trust Officer of THE MERCHANTS NATIONAL BANK OF MOBILE, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

My Commission expires
November 24, 1971

Joan Elizabeth Edwards
Notary Public.

[Notorial Seal]

STATE OF ALABAMA }
COUNTY OF MOBILE } ss.:

On this 8th day of April, 1971, before me personally appeared R. E. STEVENSON, to me personally known, who, being by me duly sworn, says that he is Senior Vice President of GULF, MOBILE AND OHIO RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

My Commission expires July 14, 1971.

S. J. Steiner
Notary Public.

[Notorial Seal]

EXHIBIT A

<u>Number of Units</u>	<u>Description</u>	<u>Estimated Cost</u>
9	2000 H.P. Model GP 38 AC Diesel Electric Locomotives, numbered GM&O 721 to 729, both inclusive (General Motors Corporation (Electro-Motive Division), Builder), at an estimated cost of \$221,906 per unit	\$1,997,154
3	2000 H.P. Model GP 38 AC Diesel Electric Locomotives, numbered GM&O 730 to 732, both inclusive (General Motors Corporation (Electro-Motive Division), Builder), at an estimated cost of \$216,906 per unit	650,718
300	70-Ton 50'6" Box Cars with DF Equipment, Numbered GM&O 55300 to 55599, both inclusive (Pullman Incorporated (Pullman-Standard Division), Builder), at an estimated cost of \$15,215.60 per unit	4,564,680
		<u>\$7,212,552</u>